

VIA: AIR
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CIA HISTORICAL REVIEW PROGRAM
RELEASE AS SANITIZED

~~SECRET~~ PBSUCCESS RYBAT

DISPATCH NO. ~~X~~HGG-A-928

CLASSIFICATION

APR 20 1954

TO : 2003- LINCOLN

DATE:

FROM : Chief of Station, Guatemala

INFO: Chief, WHD

SUBJECT: GENERAL— Operational

SPECIFIC— K Program Progress

FROM PAGE

1. I arrived in Guatemala on 16 April at 14:30 and immediately registered at the Pan American Hotel under an assumed name. It appears worth noting that neither the PAA in Miami who issued my tourist card, nor the immigration officials in Guatemala City requested me to produce documentary evidence of U.S. citizenship, nor did they check my immunization record.
2. I had a first meeting with BANNISTER on 17 April in which we ranged over matters of common operational interest. A system of meetings affording maximum security has been laid on and all business is being transacted on the premises of BANNISTER's private residence. This, however, is a temporary arrangement, pending rental of operational quarters both in Guatemala City and at Lake Amatitlan.
3. CLOVER failed to show up for his appointment at the Hipodromo del Norte on 18 April at 10:00. I reserve judgment whether or not this was due to circumstances beyond his control.
4. The contents of a cable from Lincoln, instructing me to stay clear of all entanglements with ODACID, were conveyed to me by BANNISTER. From the point of view of maximum operational security it will probably be better to leave the Ambassador uninitiated. As regards Lincoln's admonition to observe maximum security precautions in meeting SOCCER, I trust that the confidence shown me in authorizing this mission will also extend to the application of rules of operational tradecraft.
5. During the initial phase of K-Program, the case of [] is naturally looming large. Guatemala Station has laid the groundwork for an operational approach and secure methods of establishing contact in the immediate future have been taken under advisement. While it is recognized that our planning will in the last analysis have to be predicated upon the veracity of ESQUIRE's subsources, [] both BANNISTER and myself share the conviction that the reports received thus far have a ring of truth to them and that what is known here about [] personal and professional background fits in with the sentiments which he is alleged to have expressed.

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6. On the basis of all available evidence it appears that [] is determined to play an active, if not a determinant part, in any attempt to unseat the regime and that to leave him out would probably be a mistake. [] is obviously aware of something being afoot and certain remarks which he is alleged to have made could be construed as evidence that he has more than an inkling of the role played by CALLIGERIS. It further appears that [] at this stage, is averse to countenancing any invasion of Guatemala from contiguous countries and that certain reservations about CALLIGERIS may be attributable to the fact that [] is tying him in with an interventionist project, aided and abetted by the United States. All this is of course largely conjectural. However in preparing for our deliberations with [] we shall have to allow for the contingency that he may not be prepared to buy PBSUCCESS hook line and sinker.
7. We shall hold off any further moves pending the arrival of SOCCER. It is our feeling that in view of the slim factual base upon which our planning is currently resting, a strictly exploratory contact by SOCCER (who knows [] personally) will enable us to fashion our approach along lines emerging from a preliminary "neutral" meeting. If SOCCER should gather the unequivocal impression that [] is definitely opposed to the regime and determined to do something about it, we shall be able to proceed with a great deal more surety than heretofore. We are confident that SOCCER will be able to elicit pertinent information without straying outside the purview of his cover and to prepare the ground for a subsequent cold approach to be undertaken by me.
8. If all goes well, it is contemplated that I am to contact [] in the company of ESQUIRE, who appears as a logical choice being a Guatemalan citizen in good standing and presumably known to [] as the individual who issued to him the warning not to jump off precipitately. His presence will furthermore serve to underscore the fact that we are representing an indigenous resistance movement. I anticipate that [] will insist on answers to some very searching questions regarding CALLIGERIS. In particular he will want to know whether CALLIGERIS, in exchange for American support, has made commitments in effect abridging Guatemalan sovereignty. He is bound to be interested in ascertaining whether the United States stands committed to support CALLIGERIS' candidacy for a leading position in the Guatemalan government. He will want to receive some indication what his own role is conceived to be and I would not be surprised should he insist on co-equality vis a vis CALLIGERIS. This will bring us down to the issue of whether at this advanced stage we are still prepared to consent to a broadening of the "Junta."
9. While it is next to impossible to chart the exact course of our negotiations with [] it may be advisable for Lincoln to prepare hypothetical answers to a number of issues which are likely

to be broached. I envisage no difficulty in presenting [] with an acceptable resistance concept, especially with the guidance contained in your position paper, as long as I can stick to generalities. However, I feel rather at a loss in advancing a clear cut proposition outlining to [] what exactly we have in mind for him. I am therefore wondering whether it would not be best to keep in reserve the proposal of a direct meeting between CALLIGERIS and [] at which an understanding on all technical details could be reached. Such a meeting could presumably take place at some secure place near the Honduran border. Please advise what you think of this idea. Also provide some guidance as to what course I should follow in case [] should turn out adamant in declining truck with CALLIGERIS (an unlikely contingency). I am tentatively scheduling a meeting with [] during the first half of next week.

10. The assignment of RIGGS has met with great acclaim and her presence here is bound to relieve some of the extraordinary pressure under which everybody has been laboring. Some time - preferably after this operation has been brought to a successful conclusion - I should like to be told why this station, charged with what is believed to be one of the most important missions ever entrusted to KUBARK, is being placed in the position of having to beg for technical and clerical personnel. Failure to provide the station with a second secretary and the even more conspicuous failure to provide adequate courier service may or may not suggest that a truly cooperative spirit on the part of ODACID (which obviously could resolve these problems by the stroke of a pen) is greatly lacking. In this connection, may I be allowed to stress the importance of processing requests for the promotion of station personnel as expeditiously as possible?
11. My talks with BANNISTER convince me that it will be necessary to give this station a great deal more briefing regarding our KUHOOK planning, particularly insofar as it may bear on the local situation. I am convinced that the ~~situation~~ can render substantial support to KUHOOK over and beyond satisfying its EEI's. As an example I should like to draw your attention to the fact that the Aero Club may play a pivotal role inasmuch as many of the leading exponents of the regime own their own private planes and are probably planning to make good their escape by that means if worst comes to worst. BANNISTER has some very interesting ideas on the subject which he will communicate to you. I do believe, however, that a clear indication as to how it is proposed to cope with the concentration of military power in Guatemala City, will enable the Station to bring to bear its assets where they are most needed. Such briefing will furthermore assist us in determining what lines to pursue in the actual exploitation of [] and SMILEX.
12. At this writing we have not received word confirming the safe return of SECANT and SEMANTIC. I was promised by ONTRICH a paper setting forth certain ideas regarding the future handling of ESCOBILLA. In discussing this and related problems with BANNISTER, we agreed that

Calligeris
it may be advisable to establish an independent channel to ESCOBILLA rather than leaving RAZMARA with the charge of both ESCOBILLA and ESSENCE (he has his hands full with the latter). BANNISTER is confident that he can come up with a suitable handler for ESCOBILLA which would have the additional advantage of providing us with a more direct control over the activities of SEMANTIC and particularly of SECANT. The latter should be instructed by CALLIGERIS to render detailed account of his further activities so as to enable me to give him effective and timely support whenever a priming job need be done. If this has not already been done, SECANT should be instructed to keep us informed locally on all salient developments in this field of endeavor. (Please take up with CALLIGERIS).

13. As regards my "priming" assignment, BANNISTER is casting about for a suitable indigenous assistant and has already come up with one individual who - at least on paper - strikes me as well equipped to do the job. He is the subject of GUAT 366 on whom priority POC has been requested. His background as a former Guatemalan officer ~~would undoubtedly stand~~ him in good stead. Please be sure that we are kept supplied with up-to-the minute information on the officers whom I am supposed to prime. If we are successful in enlisting the full cooperation of [] and SMILEX, we may of course be able to do this "priming" job a great deal more effectively than anticipated. I am also considering an early approach to SIDERITE which, in the light of universally favorable information on his political leanings, does not seem to pose a major security hazard.
14. I trust that the recruitment of the "labor assistant" is progressing apace. He should be despatched with a minimum of delay. In talking over the labor program BANNISTER advanced strong reservations regarding the wisdom of approaching [] deprecates []' assessment of the man and is loath to read more into the alleged differences with the CGTG than a jurisdictional issue.
15. We should like to see funds channelled into the as soon as a suitable paymaster has been found. Please authorize an initial expenditure of []. Also advise what strings if any should be attached to this subsidy. I incidentally learned that our station is faced with the rather irksome problem of procuring local currency to meet growing commitments. BANNISTER is confident that he can lick the problem locally. You may have some constructive ideas on the subject.
16. BANNISTER and I are agreed that the ESODICS should be dropped forthwith. They are unproductive and their zeal in communicating with our representative leaves something to be desired. SECANT will presumably stay in touch with them. We doubt whether they

are capable of and willing to render a substantial contribution to PBSUCCESS, their rather exaggerated standards of personal security militating against any serious production.

17. Regarding ESPOUSER, about whose loyalty and control BANNISTER has some serious doubts, the Station deems it best to sever contacts at least for the time being. I agree with BANNISTER that he poses a serious security risk and that it was unwise to put him in direct touch with a KUBARK representative in the first instance as was done by GIVLOCH's instructions.
18. ESPERANCE is emerging as one of our major supports and I am in full agreement with BANNISTER that he is much too valuable a man to let go at this stage. To keep him here may involve some additional expenditures which I consider money well spent.
19. It may interest CADICK that BANNISTER considers it possible to make an attempt at defecting Air Force pilots with their planes. [] it appears, also harbors a grudge against the regime and particularly against Colonel DIAZ whom he allegedly caught in flagranti []. If there is any KUHOOK interest in seeing this matter pursued, please advise us at your earliest convenience when and where you want the planes to land. The psychological impact of such defections should not be underrated even if their military effect is deemed negligible. If this can be pulled off, you may wish to consider the active intervention of Guatemalan combat planes on the side of the insurgents. From all I can tell, it would be no exaggeration to state that one well-placed napalm bomb might nip the attempt of a communist-instigated "paramilitary" uprising in the bud.
20. Please advise whether KUHOOK's plans allow for the interception of communist reinforcements being moved up from the Escuintla area. I am raising this issue inasmuch as BANNISTER believes that it might be within the capabilities of his station to have such reinforcements waylaid. BANNISTER is convinced that any irregulars the communists might muster could easily be harrassed and at least delayed if not put to flight.
21. I discussed with BANNISTER the collection of reliable data on President ARBENZ' movements and on the floorplan of his residence. An attempt will be made to procure this information. Presumably the residence and the Government Palace are linked by an underground tunnel through which ARBENZ will be able to retire into his little fortress. I would not be surprised if the presidential residence has been converted into a formidable redoubt by now. Adjacent to the residential complex is an evangelical church whose steeple overlooks the roof on which, I understand, machine guns are mounted. Without knowing too much about these things, I would hazard the guess that the investment of the presidential residence from the vantage of the church tower might stand some chance of success.
22. Please have the attached film developed.

19 April 1954

2-Linc w/att 2-Wash [] 1-Files

Graham L. Page